

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code sections 421.14 and 422.68, the Department of Revenue hereby amends Chapter 240, “Rules Necessary to Implement the Streamlined Sales and Use Tax Agreement,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXV, No. 5, p. 426, on September 5, 2012, as **ARC 0326C**.

The subject matter of rule 701—240.7(423) is the effective dates of taxation rate increases or decreases when certain services are furnished. The amendment to the rule implements the amendment made by the Streamlined Sales Tax Governing Board to the Streamlined Sales and Use Tax Agreement (SSUTA), as required by the SSUTA, which is adopted under 2011 Iowa Code chapter 423.

This amendment is identical to that published under Notice of Intended Action.

The amendment will not necessitate additional expenditures by political subdivisions or agencies and entities which contract with political subdivisions.

After analysis and review of this rule making, no adverse impact on jobs has been found.

This amendment is intended to implement 2011 Iowa Code chapter 423.

This amendment will become effective December 5, 2012, after filing with the Administrative Rules Coordinator and publication in the Iowa Administrative Bulletin.

The following amendment is adopted.

Amend rule 701—240.7(423) as follows:

**701—240.7(423) Effective dates of taxation rate increases or decreases when certain services are furnished.** Certain taxable services are usually furnished over an extended period of time (e.g., utilities, janitorial, and ministorage services), and the user of such a service is billed at regular intervals (e.g., monthly or quarterly). The beginning date when a rate change is imposed on the sales price of this type of service differs, depending upon whether a rate increase or rate decrease is involved. If the rate of taxation has been increased, the beginning date of the rate change shall be the first day of the first billing period occurring on or after the effective date of the rate increase. If the rate of taxation has been decreased, ~~the beginning date of the rate change shall be the date on which the first bill for furnishing the service is rendered for payment, subsequent to~~ the new rate shall apply to bills rendered on or after the effective date of the rate decrease.

This rule is intended to implement ~~2005~~ 2011 Iowa Code chapter 423, subchapter IV.

[Filed 10/10/12, effective 12/5/12]

[Published 10/31/12]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 10/31/12.